

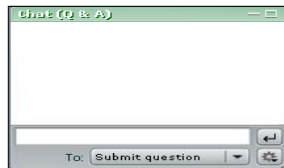
FY 2011 Accounting Requirements for State Fiscal Stabilization Funds (SFSF) and Education Jobs Funds

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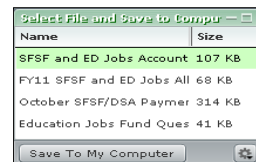
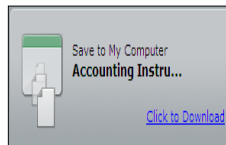
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Federal Funds in the General Fund: A Quick Review.

- State Fiscal Stabilization Funds (GF SFSF) are a [FEDERAL FUNDING SOURCE](#) resulting from the passage of the American Recovery and Reinvestment Act (ARRA). SFSF was also part of the general fund in FY 2010.
- Education Jobs Funds (ED Jobs) are also a [FEDERAL FUNDING SOURCE](#) resulting from an amendment to the ARRA, passed in August of 2010.
- Both of these federal funding sources are being distributed via the Direct State Aid (DSA) payment, which supports the General Fund budget for each school district.
- These funds do not represent increases above and beyond what is already included in your general fund budget limits for FY 2011.

Direct State Aid: One Line Item on the Budget.

Three Line Items on the Trustees Financial Summary (TFS).

- In a normal year, the entire Direct State Aid (DSA) payment is coded to revenue source 3110. This amount is shown on your budget on page 3, line I-A.
- However, during FY 2011, the DSA payment is actually supported by three different revenue sources, and must be coded properly.
 1. Direct State Aid – Revenue Source 3110
 2. State Fiscal Stabilization Funds (SFSF) – Revenue Source 7800
 3. Education Jobs Funding (ED Jobs) – Revenue Source 7810

SFSF and ED Jobs – The Process to Request these Funds.

- These Federal funds apply to [ALL](#) Montana school districts.
- The GF SFSF and ED Jobs amounts are already [included in general fund budget limits](#) under the Direct State Aid (DSA) revenue source for FY 2011.
- Federal cash management rules apply to GF SFSF and ED Jobs. OPI is distributing the federal funding based on each school district identifying expenditures during a specific quarter and then [requesting reimbursement for those expenditures by submitting an ARRA quarterly report](#).
- [Each district has an exact allocation of GF SFSF and ED JOBS monies that must be requested](#). These amounts have been calculated by OPI and are pre-loaded into the MAEFAIRS online ARRA quarterly reporting program for each school district.

General Fund State Fiscal Stabilization Funds (SFSF) Accounting Requirements

- SFSF are distributed based on [reimbursement request\(s\)](#) made by a district on a submitted ARRA quarterly report.
- OPI will pay GF SFSF in the month following each quarterly report due date:
 - Submitted Qtr 2 requests will be reimbursed in the January DSA payment
 - Submitted Qtr 3 requests will be reimbursed in the April DSA payment
 - Submitted Qtr 4 requests will be reimbursed in the June DSA payment *
- Remaining Quarterly Reporting [DUE DATES](#):
 - FY 2011: Qtr 2 – December 31, Qtr 3 – March 30, Qtr 4 – June 30*
- [Unique Accounting](#) is required for these funds. The revenue source code is **7800** and the expenditure program code is **780**. These codes are very important!

* If requesting any GF SFSF or ED JOBS reimbursement during the 4th quarter, quarterly report is due June 5th, and payment will be made in June.

General Fund State Fiscal Stabilization Funds (SFSF) Accounting Requirements

- What are the requirements/limitations for the expenditure of SFSF?

ARRA SFSF may be spent on any allowable expenditure in the General Fund, except for certain expenditures prohibited in federal regulations:

- Payment of maintenance costs;
- Stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public;
- Purchase or upgrade of vehicles;
- Improvement of stand-alone facilities whose purpose is not the education of children, including central office administration or operations or logistical support facilities;
- Financial assistance for students to attend private elementary or secondary schools, unless the funds are used to provide special education and related services to students with disabilities, as authorized by IDEA;
- School modernization, renovations, or repair that is inconsistent with State law; or
- Restoring or supplementing a "rainy day" fund.

Education Jobs Funding (ED Jobs) Accounting Requirements

- ED Jobs funding will be distributed based on [reimbursement request\(s\)](#) made by a district on a submitted ARRA quarterly report.
- OPI will pay ED Jobs in [two separate payment months](#):
 - Submitted Qtr 2 requests will be reimbursed in the February DSA payment
 - Submitted Qtr 3 requests will be reimbursed in the June DSA payment
 - Submitted Qtr 4 requests will be reimbursed in the June DSA payment *
- Remaining Quarterly Reporting [DUE DATES](#):
 - FY 2011: Qtr 2 – December 31, Qtr 3 – March 30, Qtr 4 – June 30*
- [Unique Accounting](#) is required for these funds. The revenue source code is **7810** and the expenditure program code is **781**. These codes are very important!

*** If requesting any GF SFSF or ED JOBS reimbursement during the 4th quarter, quarterly report is due June 5th, and payment will be made in June.**

Education Jobs Funding (ED Jobs) Accounting Requirements

- What are the requirements/limitations for the expenditure of ED Jobs?

Education Jobs Fund must be used only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, secondary educational and related services. The phrase "compensation and benefits and other expenses, such as support services" includes salaries, performance bonuses, health insurance, etc.

Administrative expenses related to the operation of the superintendent's office, including the salaries and benefits of LEA-level administrative employees are prohibited. Expenditures for fiscal services, LEA program planners and researchers, and human resource services are also prohibited.

Allowable Functions: 1XXX, 21XX, 221X, 222X, 24XX, 26XX, 27XX, 31XX-35XX

Allowable Objects: 1XX, 2XX

General Fund State Fiscal Stabilization Funds and Education Jobs Funding – Recommendations

- **KEEP IT SIMPLE.** When identifying expenditures that will be coded to SFSF or ED Jobs, select a large block of expenditures, such as regular instructional salaries.

- Normal coding structure: X01 - 1XX - 1XXX - 112
- GF SFSF coding structure: X01- **780** - 1XXX - 112
- ED Jobs coding structure: X01 - **781** - 1XXX - 112

- Special education expenditures coded under program code 780 or 781 **are NOT included** in the minimum amount of expenditures to avoid reversion. They also will not be included in a district's maintenance of effort (MOE) calculation.

- Expenditure limitations for SFSF and ED Jobs are listed inside the ARRA quarterly reporting program. Reimbursement must be requested within allowable function and object codes.

SFSF and ED JOBS – FY 2011 – Things to Remember

- The school district chooses the quarterly report that is used to request the funds.
- These federal funds result in special coding requirements for certain DSA payment(s). The DSA payments that may include special coding requirements are:

January 21, February 25, April 22, and June 24.

- Be sure to maintain communication with your County Treasurer to assure that both parties are aware when special coding is required. OPI provides a supplemental payment advice that provides the exact amounts to be coded under revenue sources 3110, 7800, and 7810.
- OPI will pre-fill these revenues on the Trustees' Financial Summary (TFS). Expenditures under program codes 780 and 781 must match the respective revenue sources, to the penny. Failure to record this properly will result in corrective validations on the TFS.

Quarterly Reporting – Jobs Created/Retained - Reminder

- LEs must report on the number of hours funded [DURING THE CURRENT QUARTER](#), by each ARRA funding source.
- The FTE calculation recommended by the federal government uses 520 hours as the baseline for a normal full time quarterly work schedule in each quarter (13 wks X 40 hrs/wk).
- OPI has developed fields in the online program to do the proper calculation, so it is important that LEs only report on hours funded during the current quarter.

Quarterly Reporting – Reminders

- The report is completed by logging into the [WEB-BASED MAEFAIRS](#), hovering over 'Data Entry' and choosing ARRA Quarterly Reporting.
- The report is not complete until you hit submit AND it says '[Your LE has been Submitted](#)' next to the LE dropdown menu.
- If you forgot to complete a portion of the report, you will see **RED Validation Messages**.
- This online tool covers all of the reporting requirements for all ARRA funding sources paid through the OPI, including:

GF SFSF, ED Jobs, ARRA Title I (Regular and School wide), ARRA IDEA, HB645 SPED, ARRA McKinney-Vento, ARRA Title II-D

Questions?

Type them in to the Chat Pod and hit Enter.